

Prop. 2 1/2

2 1/2

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Proposition 2 1/2, a tax-limiting measure endorsed by Massachusetts voters in November, 1980, will have a far-reaching impact on government operations at all levels in the Commonwealth. This selective bibliography includes published reports, newspaper articles, press releases, and journal articles on this important topic. Among the research studies listed in this bibliography articles by Alan Tosti and Dan Soyer of the Massachusetts Municipal Association and Suzanne Tompkins, Executive Vice President of the Massachusetts Taxpayers Foundation.

This bibliography was a project of the Reference Department of the State Library of Massachusetts. The sources include the collection of materials on Proposition 2 1/2 at the State Library, Massachusetts Municipal Association, Massachusetts Teachers Association and the Massachusetts Taxpayers Foundation. The bibliography was compiled and annotated by Lois Wasserman, Ph.D., a library intern.

"Belmont Case." The Beacon VII (February, 1981), p.5,7.

The case dealt with layoffs of police and firefighters due to Proposition 2 1/2. The Middlesex Superior Court maintained Belmont could fire police and firefighters in order to meet the budget. Police agree to accept a reduction in salary increases from 8 to 7 percent.

"Can Boston Survive the First-Year Impact of Proposition 2 1/2?" Boston Municipal Research Bureau. January 28, 1981, p.1-4.

Statistics are presented in this article concerning the losses Boston will face during the first year of Proposition 2 1/2's implementation. Not only would there be a large deficit, but over 3,000 employees would lose their jobs.

Chris Black. "How Prop. 2 1/2 Became Law" The Boston Globe, July 1, 1981. p.41.

Black presents a brief history about the passage of Proposition 2 1/2. He presents the terms of the present proposal, which had been introduced by Representative Andrew Natsios of Holliston and three other representatives after the passage of Proposition 13 in California.

Commonwealth of Massachusetts. Chapter 580 Acts of 1980. "An Act Limiting State and Local Taxation and Expenditures." Boston: Office of the Secretary of State, 1980.

The enacted text of prop. 2 1/2 limiting property taxes to 2.5 percent of the full and fair cash value; reduces excise taxes; provision of funds for public schools; deduction of 50 percent of the annual rent.

Edward F. Donnelly. "Proposition 2 1/2 May Dictate Changes in Town Meeting Procedures." The Municipal Forum II. (Spring, 1981).

In dealing with the constraints brought on by Proposition 2 1/2, Donnelly recommends cooperation between schools and municipal departments, consensus among key officials, changes in preparing the budget, by placing unclassified items and fixed costs first.

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Approved by John J. Manton, State Purchasing Agent



"Effect of Proposition 2½ on Federal Aid to Massachusetts". Main Report. Congress of the United States. Prepared at the request of Barney Frank. 1981, 13p. HJ 4121 .M4 E3.

This discusses the impact of Proposition 2½ in terms of what Massachusetts will lose in the Commonwealth and from the Federal government, when it goes completely into effect. The Commonwealth will lose one billion dollars a year in decreased revenue.

Catherine Flynn, George McDowell. Coping with Proposition 2½: Cutbacks, User Fees, and Alternative Service Delivery Mechanisms. Amherst: University of Massachusetts, 1981.

This pamphlet deals with the background behind the passage of Proposition 2½, the financial and political roots of the taxpayers revolt, and how to cope with the cutbacks which would result from its passage.

Kenneth Grace. "Proposition 2½ in Massachusetts: Another Proposition 13 or a Tax Reform Measure with Potential Constitutional Problems?" New England Law Review. 15 (1980), p.309-327.

Grace discusses Proposition 13 and Proposition 2½ in light of tax reform. Second, he examines the provisions of Proposition 2½ for possible constitutional violations.

Philip B. Herr. "The Case of the Newton Marriott. Focus: 2½: Development Impacts." Impact 2½. June 1, 1981, p.1-2.

The Marriott Hotel intended to expand its facilities; it would have added 75 to 100 new jobs, and would have produced 250,000 in new taxes. The Board of Aldermen of Newton rejected the proposal, for a variety of reasons. Among them, Newton's assessed valuation would have risen.

Karl E. Kim. "Rand Study: Tax Limits At Work In Three States." Impact 2½. June 15, 1981, p.1-2.

The Rand Corporation studied ten cities in California, Kansas and New Jersey, which limited taxation. It learned that among other things, budget allocations were not shifted to essential services and large budget cuts hurt the quality and quantity of municipal services. The major finding was that spending is affected by historical trends which result in money limits.

Richard M. Kobayashi and Jim Schultz. "Proposition 2½: Estimated Impacts." Technical Bulletin. Mass. Executive Office of Communities and Development. 1981.

They list two tables, one dealing with the "Estimated Effects of Proposition 2½ on all Cities and Towns" and a second one on "Estimated Effects of Proposition 2½ by Population Size of Municipality."

Edward Lehan. "Strategies For Cutting Massachusetts Local Budgets: There Are Implications For Beyond This Year." The Municipal Forum. II. (Spring, 1981), p.23-28.

Lehan suggests the government of Massachusetts needs modernization. Furthermore, there can be an adequate public service program, even with Proposition 2½ in effect.

Barbara O. Maffei. Effect of Proposition 2½ On Massachusetts General Revenue Sharing Allocations. Washington, D.C.: Library of Congress, Congressional Research Service, 1981. HJ4121 .M4 M34

Maffei, an Analyst in Government Finance, presents a report on Proposition 2½ in terms of its effect on Federal revenue sharing. This report was prepared for Congressman Barney Frank, who incorporated her recommendations in his Report.

Massachusetts Department of Revenue. "News Release." December 4, 1980, 3p.

Commissioner Hampers presents the guidelines cities and towns were to use to cope with Proposition 2½. There would be workshops in various communities and information meetings.

Massachusetts. Legislative Research Bureau. Report Relative to Limiting Taxation and Spending By State and Local Governments. June 10, 1980. (House No. 6743).

In addition to spelling out the amendment sponsored by Edward F. King, called the King Amendment to limit taxation, House No. 6743 presents a history of tax control in the Federal government, Massachusetts, and other states in the union. Concludes government costs must be limited.

Massachusetts Taxpayers Foundation, Inc. "Statement of Richard A. Manley in Response to the Attorney General's Approval of Foundation-Drafted Initiative Petitions.", [1981]. 6p.

Seeks to cut state and local taxes and proposes a constitutional amendment limiting the state and local tax limits and the state debt limit. Compares plans of the Massachusetts Taxpayers Foundation, Citizens for Limited Taxation, and AIM/Hi Tech plans.

Massachusetts Taxpayers Foundation, Inc. The Taxpayers Foundation Plan To Cut Property Taxes. [1981]. 8p.

The MTF has its own plan to reduce property taxes, and at the same time provide aid for cities and towns. Such aid would be in the form of state aid. Furthermore, it recommends a sales tax.

Massachusetts Teachers Association. The MTA Tax Reform Proposal: A Solution to Proposition 2½. Boston: MTA, 1981. HJ 4121 .M4 M387

The MTA maintains that Proposition 2½ is unworkable and recommends tax reform instead. It opposes raising any taxes - this includes the sales tax. What it seeks to do is amend Proposition 2½ to achieve tax reform, and the gains accrued from property tax reduction.

Donna L. McDaniel. "Focus 2½: Kennedy School Study: The Message of Proposition 2½" Impact 2½. May 1, 1981, 1, p.4-5.

Ladd and Wilson of the Kennedy School of Government conducted a study analyzing the attitudes of opponents and proponents of Proposition 2½ as to why this law was passed and what Proposition 2½ will do, for example, to essential services.

K. Heinz Muehlmann. "Can Massachusetts Cope With Success?" Industry. February, 1981, p.14-15, 53ff.

Muehlmann calls for tax reform to benefit the business community, and not the public sector. He is pleased with the passage of Proposition 2½ as a move away from big government in Massachusetts.

K. Heinz Muehlmann. "Cut Taxes, Not Growth." Industry. January, 1981, p.6.

Although Muehlmann is in favor of cutting taxes, it is the AIM approach which he seeks. The AIM plan would permit new assessed values to be taxed at community rates outside the limits set by Chapter 580. The purpose is to increase the tax base of the community.

Greg O'Brien. "Mass. OKs Prop 2½" Boston Herald American. November 5, 1980. p.1,6.

Proponents and opponents exaggerated as to the merits or demerits of Proposition 2½. On the other hand, this tax limitation measure is here to stay.

Patrick O'Malley. "The Massachusetts Fiscal System" Impact 2½. May 15, 1981. p.1,2.

The article is a summary of O'Malley and Raymond G. Torto's study of the Massachusetts Fiscal System. Massachusetts is compared in terms of property taxes and other taxes to 17 other Contract States. O'Malley discusses the effect of the property tax and the other taxes on Massachusetts and the 17 states and how the situation can be improved in Massachusetts.

James Pritchard and Marilyn Contreas. "Collective Bargaining Under Proposition 2½: Some New Approaches Are In Order." The Municipal Forum, II. (Spring, 1981). p.17-22.

Pritchard and Contreas make several proposals as to how to cope with layoffs produced by Proposition 2½. They offer suggestions and rules for bargaining.

"A Property Tax Relief Program for Massachusetts" Massachusetts Municipal Association. (1981). pp.1-6 +

Property taxes are very high in Massachusetts. The appellation "Taxachusetts" is inaccurate. Several recommendations are made to control mandates in Massachusetts, and methods to increase revenue, one of which is an expanded sales tax.

Proposition 2½-Issues, Analysis and Implementation. Boston: Massachusetts Continuing Legal Education - New England Law Institute, Inc., 1981.

This pamphlet analyzes the issues regarding implementation of Proposition 2½, statutory interpretation, full and fair cash value, constitutionality of Proposition 2½ as it relates to renters' deduction, effects on the market place, education and other issues.

Edward Quill. "Proposition 2½ Is Here: How 29 Communities Are Facing Up To It." The Boston Globe. July 1, 1981. p.40.

Discusses how 29 of the 351 cities and towns are dealing with the effects of Proposition 2½, their plans, program cuts, proposed layoffs and actual cuts.

Walter V. Robinson. "Prop. 2½ Fight: Pros v. Enthusiasts" The Boston Globe. September 30, 1980. p.13,16.

Presents the provisions of the bill as well as the campaign fund for the opponents of the bill (Massachusetts Teachers Association, Massachusetts Association of Professional Firefighters, and others) and the proponents, the CLT, with its limited funds and therefore its top priority is "talking to the media."

"School Cuts." The Beacon VII (February, 1981). p.7-8.

Deals with legislation drafted by the Massachusetts Board of Education as to how to cope with the loss of revenue resulting from the implementation of Proposition 2½. Modification of the transportation program, lunch program and hiring of counselors are recommended.

James Segel. "It's Time To Move Forward Under Proposition 2½." The Municipal Forum, II (Spring, 1981). p.13.

Taxpayers in Massachusetts sought relief from high taxes. They found it in Proposition 2½, which is a bad statute. Segel suggests reform of municipal government business practices, such as using data processing and financial management tools when necessary.

Michael Segal. "Proposition 2½: It's One Election That Money Could Not Buy." Boston Herald American. November 6, 1980. p.A19.

Prior to the November election, it appeared Question 2 would be defeated. The opponents of Proposition 2½ could not counteract the proponents of the bill.

Howard Sitzer, Joan M. Flanagan, and Leon J. Karvellis, Jr. Massachusetts' Municipalities and Proposition 2½: A Sensitivity Analysis. New York: Merrill Lynch, Pierce, Fenner & Smith, Inc., 1981. 15p. HJ 4121 .M4S4

The authors analyzed 45 communities in Massachusetts to determine the effect of Proposition 2½ on these cities and towns. Boston, Lowell, Lynn, Malden, New Bedford, Revere and Somerville will experience the greatest stress. A second major conclusion is that Massachusetts' credit rating will be "minimally impacted."



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Daniel Soyer. "The Constructive Approach to Proposition 2½" The Municipal Forum. II (Spring, 1981), p.11

To respond to Proposition 2½ responsibly, the Commonwealth must face up to its responsibility by providing more financial support to the cities and towns.

Daniel Soyer. "Municipalities Take the 'High Road' In Responding to Proposition 2½." The Municipal Forum. I. (Winter, 1980). p.7.

Following the November, 1980 election and the approval by the voters of Proposition 2½, municipal officials met to prepare policies to deal with the cuts produced by Proposition 2½. The Massachusetts Municipal Association prepared materials containing "hundreds" of ideas for economizing in municipal operations.

"Statewide Vote for President and Proposition 2½" Boston Herald American, November 6, 1980. p.A11

This is a listing of the vote for the three presidential candidates by city and town and the vote for and against Proposition 2½. It is a listing, with no analysis or correlation of the way the town voted, or the why.

Susanne Tompkins. "Proposition 2½- Massachusetts And The Tax Revolt." The Journal of the Institute for Socioeconomic Studies IV (Spring, 1981). p.21-32.

Tompkins analyzes the impact of Proposition 13 on Massachusetts and points out that in Massachusetts this measure of tax limitation is not workable. She delves into the reasons behind the economic problems which have plagued Massachusetts since the 1960's when it took over responsibilities for welfare and initiated new social programs.

Alan Tosti. HELP! A Guide To Coping with Proposition 2½ for Massachusetts Local Officials. Boston: Massachusetts Municipal Association. 1980.

Tosti discusses various questions and answers concerning the implementation of Proposition 2½ with a minimum of hardship for citizens of the Commonwealth. He makes several suggestions as to maximizing efficiency of such services as firefighting and police at minimum costs.

Alan Tosti. "Looking for Places To Cut the Budget." The Municipal Forum 2 (Spring, 1981) p.29-32

Tosti examines many alternatives in dealing with losses incurred by Proposition 2½: specifically, schools, firefighting, ambulance service, police and libraries. He makes several suggestions to circumvent the hardships which might arise.

Sherry Tvedt. "The Alternative Faded: Focus 2½: Two Years in the Making." Impact 2½. July 1, 1981, p.1-2.

Conservative Republican Representatives, the CLT, and other groups sought tax limitation. Some, such as the Massachusetts Tax Foundation, Massachusetts Fair Share and public employees unions prepared proposals for tax reform. Tvedt contends that the Democratic leadership in the Legislature was uncooperative.

University of Massachusetts at Boston. Center for Studies in Policy and Public Interest. University of Massachusetts poll on proposition 2½. Boston: The Center, 1980.
MR 378.32M3 U53 1980

The poll indicates that in general, the public does not want their level of services reduced but they do want control of expenditures and taxes.

"Uncontrollable Expenditures". 'Equitable and Efficient' Aid to Communities." Impact 2½. June 15, 1981. p.1-2.

Albert, Piner, Antzis, Tufts University economics students, studied the possibility of reducing the budget cuts prompted by Proposition 2½ by helping local governments in a variety of specified ways. Furthermore, they calculated the loss statewide to be 538,366,000 dollars in fiscal year 1982 if localities did not receive state aid.

"Vote" Massachusetts Information for Voters. 1980. Boston: Massachusetts. Secretary of the Commonwealth, 1980.

Question 2 dealt with Proposition 2½. It presents the view of the proponents and the perception of the opponents of this measure.

"Who's Who Behind Proposition 2½?" The Beacon Hill Update IV (June 23, 1980). p.1,4

CLT, Mass High Technology Council and AIM (Associated Industries of Massachusetts) all seek tax limitation, but for different reasons. All appeal to different interest groups ranging from industry to computer technology and technology to persons who seek a limited role for government.

"Crisis: the Squeeze on State and Local Spending:
Where We Are, How We Got There, How We Can Change."
The Boston Globe. May 11, 1981

This Special Supplement includes the following articles:

"Cambridge: The Burden of Tax-Exempt Property." The Boston Globe. May 11, 1981, p12.
There will be tremendous adverse effects on Cambridge resulting from Proposition 2½. Like Boston, there is a great deal of tax-exempt property.

"Cambridge At A Glance." The Boston Globe. May 11, 1981, p12.

Statistics are presented about its population, income, unemployment rate, major employers (Harvard and M.I.T.), sources of revenue, effects of Proposition 2½.

"Chelsea: A Renaissance in the Balance." The Boston Globe. May 11, 1981, p13.

Although there are financial problems in Chelsea, Mayor Joel Pressman does not intend to allow layoffs of policemen and firemen during the first year Proposition 2½ goes into effect. There are figures regarding school costs, police and fire protection.

"Chelsea At A Glance." The Boston Globe. May 11, 1981, p13.

Statistics concerning population, income, unemployment, major employers, property valuation and the effect of Proposition 2½ are presented. Chelsea's total loss in f.y. 1982 is estimated at 2.5 million dollars.

Peter Cowen. "The Bay State's Capital City Once Again At The Brink of Financial Disaster." The Boston Globe. May 11, 1981, p5-6.

Boston has had to and continues to face problems: overspending by the school department, poor property assessing practices, "unusual" population composition and tax structure in Boston, as well as public demands for jobs and services. Boston will lose a great deal of money due to Proposition 2½.

"Dover At A Glance." The Boston Globe. May 11, 1981, p17.

Presents statistics in terms of population, income, unemployment as well as the effects of Proposition 2½ on Dover. The net loss for the fiscal year is estimated at 36,700 dollars.

"Dover: No Suffering Here from 2½." The Boston Globe. May 11, 1981, p17.

Dover is an affluent community and will not suffer from the implementation of Proposition 2½. It will lose some money, but the amount is very small, in comparison to other cities and towns.

"Fall River At A Glance" The Boston Globe. May 11, 1981, p11.

Statistics relating to population, income, unemployment, major employers, total property value, revaluation and the effect of Proposition 2½ are presented. In the first year of its implementation, Fall River will lose about 5.8 million dollars.

"Fall River: Rebirth Elusive." The Boston Globe. May 11, 1981, p11.

Fall River, financially poor, will suffer a great deal when Proposition 2½ will be implemented. In fiscal year 1981, 72 percent of her taxes came from the property tax. Its voters opposed Proposition 2½.

Charles Kenney. "How The Tax Revolt Came to Massachusetts: A Citizens' Group Took The Issue To The People." The Boston Globe. May 11, 1981, 26.

Deals with the roots of the taxpayers revolt in Massachusetts. Edward F. King was one of the brainchildren behind this tax limiting measure. Blames Attorney General Bellotti for not permitting the original Proposition 2½ on the ballot in 1978. Bellotti ruled it unconstitutional as drafted; it sought state revenues be returned to cities and towns.

"Lowell At A Glance." The Boston Globe. May 11, 1981, p.14.

Statistics are presented regarding the population of Lowell, income, rate of unemployment, major employers, property value, sources of revenue and effect of Proposition 2½ in the first year of the implementation of Chapter 580, Lowell will lose 6.1 million dollars.

"Lowell: Banking on Public-Private Cooperation." The Boston Globe. May 11, 1981, p.14.

Together with federal and private funds, Lowell has experienced a rebirth in the past five years. The effect of Proposition 2½ will be "restriction."

"Lynn At A Glance." The Boston Globe. May 11, 1981, p.9.

Presentation of statistics of the city of Lynn. Total Proposition 2½ loss for the first fiscal year is estimated at 9 million dollars.

"Lynn: Treading Water." The Boston Globe. May 11, 1981, p.9.

Deals with the financial crisis Lynn will have to face as a result of the passage of Proposition 2½. There is a very heavy dependence upon the property tax, with property owners paying 54 percent of the total amount of the taxes.

"Marshfield: Paying for Recent Growth," The Boston Globe. May 11, 1981, p.16.

Due to tremendous growth in population, Marshfield also had to increase such services as public schools. Before Proposition 2½ was passed, it had to curtail school, fire, and police services due to an increased debt and decreased revenue.

"Marshfield At A Glance." The Boston Globe. May 11, 1981, p.16.

Presents statistics on population, income, unemployment, major employers, value of property, revaluation and the effect of Proposition 2½ on Marshfield. The first year loss due to Proposition 2½ is estimated at 2½ million dollars.

"Massachusetts Or Taxachusetts: Which Image Is Closer To The Truth?" The Boston Globe. May 11, 1981, p.31.

The image this article presents is that it is Massachusetts and not Taxachusetts. The total tax burden is dropping. With Proposition 2½, the tax burden of Massachusetts will be lower than the national average.

John Powers. "The Stress of the Cities." The Boston Globe. May 11, 1981, p.3-4.

Discussion of the problems cities faced prior to the passage of Proposition 2½ and since its passage. Also deals with President Reagan's intended cuts and Governor King's "insufficient" promise of state aid. Prop. 2½ hits "like a sledgehammer."

"Property Taxes: A Painful Tradition Nobody Has Been Willing To Change." The Boston Globe. May 11, 1981, p.25.

The property tax has a long history in Massachusetts. Despite attempts to change the tax structure, none have been successful. On the other hand, there are benefits in terms of lower sales taxes and in services maintained by the state.

Edward Quill. "Rich Towns, Poor Towns." The Boston Globe. May 11, 1981, p.15.

Discusses the impact of Proposition 2½ on three towns which voted in favor of the passage of this law: Randolph, Marshfield and Dover.

"Randolph Facing Up To A Rainy Day." The Boston Globe. May 11, 1981, p.18.

Randolph will have to cut essential services in order to adhere to the dictates of Proposition 2½.

"Randolph At A Glance" The Boston Globe, May 11, 1981, p.18.

Presents the statistics relating to population, income, unemployment, total property value as well as Proposition 2½. It also gives the figures of revenue reduction in fiscal year 1981 and 1982.

Walter Robinson. "Caught In A Crossfire" The Boston Globe, May 11, 1981, p.29-30

Due to the passage of Proposition 2½, cities and towns in the Commonwealth must deal with its financial crisis. Moreover, the state, in its own bad shape, must put its own house in order before it helps the cities and towns.

Walter V. Robinson. "The People's Choice: How Much Government?" The Boston Globe. May 11, 1981, p.1.

While United States citizens want limited taxation, they also do not want essential services to be curtailed. The message of Proposition 2½ will be reflected in the citizens' vote in the election of 1982.

Walter V. Robinson. "What To Do With 2½: Keep It, Repeal It Or Fine-Tune It?" The Boston Globe. May 11, 1981, p.35-37.

Discusses several options regarding coping with Proposition 2½: from keeping it, modifying it, repealing it or fine-tuning it (holding a referendum to abolish it). Other options include increasing the sales tax and raising business taxes.

"Springfield At A Glance." The Boston Globe. May 11, 1981, p.8.

Statistics concerning Population, Income, Unemployment, Major Employers; property Value; Revaluation; Effect of Proposition 2½; Sources of Revenue: Federal, State, Own Sources, as well as expenditures: 1981 budget; services and other expenses.

"Springfield: Upswing Eases 2½: Impact." The Boston Globe. May 11, 1981, p.8.

Up until the passage of Proposition 2½, Springfield has enjoyed good financial health. With its implementation, there will be layoffs in such essential services as the police and fire departments as well as teachers and other school employees.

Benjamin Taylor. "The Signal From Washington- You Can't Lean On Us." The Boston Globe. May 11, 1981, p.23.

Deals with proposed Reagan cuts in terms of social services and its effects on Massachusetts, and on Boston, in particular. Moreover, because of Proposition 2½, cities and towns in Massachusetts could lose federal funds, because of the reduction in revenue.

"Worcester At A Glance." The Boston Globe. May 11, 1981, p.10.

Presentation of statistics, such as Population; Income; Unemployment; Major Employers; Value of Property; Revaluation; Effect of Proposition 2½, and others. With Proposition 2½, the total loss during the first year of its implementation will be 10.9 million dollars.

"Worcester: The Potential for Pain Is There" The Boston Globe. May 11, 1981, p.10.

Prior to the passage of Proposition 2½, Worcester has been doing well financially. It will take five years to cut taxes to 2½ percent. A major problem is tax-exempt property, including land for urban renewal projects and several colleges.

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